

News Release



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Labor Department Sues Menasha, Wisconsin Business and President To Restore Delinquent Contributions to IRA Plan

Chicago, Illinois - The U.S. Department of Labor has sued the Hirschy, Inc., doing business as Germania Hall, Menasha, Wisconsin, and Christopher Fiedler, president and sole shareholder of Hirschy, for failing to forward employee contributions to the company's IRA plan and to segregate the plan contributions from the general operating assets of the company.

"The department will act when plan fiduciaries fail to carry out their duty to protect the retirement plan assets held on behalf of participants," said Kenneth Bazar, director of the department's Chicago regional office of the Employee Benefits Security Administration (EBSA).

The lawsuit alleges that Fiedler failed to remit employee contributions to the IRA plan from October 2000 through December 2002. The suit further alleges that Fiedler failed to timely remit employee contributions from November 1999 through February 2001, and commingled the contributions with the assets of the company, in violation of the Employee Retirement Income Security Act (ERISA).

The suit seeks to require Fiedler and Hirschy, Inc. to restore to the plan all contributions plus interest, remove Fiedler as a plan fiduciary, and correct any prohibited transactions.

Employers with similar problems, who are not yet the subject of an investigation by EBSA, may be eligible to participate in the department's Voluntary Fiduciary Correction Program (VFCP). Participation in the VFCP requires employers to make workers whole but allows them to avoid EBSA enforcement actions and civil penalties as well as any applicable excise taxes. For more information about the VFCP, see www.dol.gov/ebsa.

The suit, filed in federal district court in Wisconsin, resulted from an investigation conducted by the Chicago regional office of EBSA. Employers and workers can reach the Chicago regional office at (312) 353-0900 or through EBSA's toll-free number, 1.866.444.EBSA (3272), for help with problems relating to private-sector retirement and health plans. In fiscal year 2004, EBSA achieved record monetary results of \$3.1 billion related to the pension, 401(k), health and other benefits of millions of American workers and their families.

Chao v. Hirschy, Inc.
Civil Action No. 05-C-167